members, but because it carries with it a requirement for accountability that is a real bottom line requirement; that is to say, in order to take advantage of Straight A's, a State must have a system of determining, through some type of examination or a test, whether or not it is actually improving the educational achievement of the children under its care. It is only results that count in Straight A's and not how you fill out the forms or what the auditors say you have done with the money.

I believe we in the Senate will take up Straight A's in that form, or in some similar form, sometime during the winter or very early spring of the year 2000 when we deal with the Elementary and Secondary Education Act. But I am delighted that we have made such progress already in the House of Representatives.

Simply to ratify some of my remarks, I want to share with my colleagues comments that we have received from across the country about this dramatic change in Federal education policy:

I am pleased to offer my support to the Academic Achievement for All Act. This proposal, if enacted into law, would serve to complement the Commonwealth of Virginia's nationally-acclaimed national education reforms.

Governor James Gilmore of Virginia.

A new relationship between the states and Washington, as reflected in Straight A's, can refocus federal policies and funds on increasing student achievement.

Governor Jeb Bush of Florida.

Straight A's would allow us to use federal funds to implement our goals while assuring taxpayers that every dollar spent on education is a dollar spent to boost children's learning.

Governor John Engler of Michigan.

I'm not a Democrat or a Republican. I'm a superintendent. And what GORTON is trying to do would be the best for our kids.

Superintendent Joseph Olchefske, Seattle public schools.

The Straight A's Act will allow those closest to the action to make decisions about education in their own local school district.

Robert Warnecke, Washington State Retired Teachers Association.

Senator GORTON's Straight A's proposals is well-conceived with great flexibility for states and districts. It would help to focus federal resources where they are most needed.

Janet Barry, Issaquah Superintendent and 1996 National Superintendent of the Year.

I look forward to the debate in the Senate on these changes with particular delight because the House of Representatives' majority has already said that this is the direction in which we ought to lead the country.

(The remarks of Mr. CRAPO pertaining to the introduction of S. 1795 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. CRAPO. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—S. 761

Mr. ABRAHAM. Mr. President, I would like to propound a unanimous consent request.

I ask unanimous consent that the majority leader, after consultation with the Democratic leader, may proceed to the consideration of Calendar No. 243, S. 761, under the following limitations:

That there be 1 hour for debate equally divided in the usual form, and the only amendment in order to the bill be a manager's substitute amendment to be offered by Senators ABRAHAM, WYDEN, and LOTT.

I further ask unanimous consent that following the use or yielding back of time and the disposition of the substitute amendment, the committee substitute be agreed to, as amended, the bill be read a third time, and the Senate proceed to a vote on passage of S. 761 with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, there are a number of people on this side of the aisle who reluctantly have asked that we object to this matter with the caveat that it is very clear that there should be something worked out on this in the near future. We hope that will be the case. In the meantime, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ABRAHAM. Mr. President, I appreciate the perspective offered by the Senator from Nevada.

I want to acknowledge, while he is still on the floor, the continuing interest that I have in trying to work to a resolution on this issue because I think it is one, as is evidenced by the bipartisan nature of both the original bill and the proposed substitute, where there are, in fact, Members on both sides of the aisle who have an interest in proceeding in this area. So I hope we will be able to reach some kind of an agreement soon.

I have a little bit more I want to say about the legislation before we adjourn, but I thank the Senator from Nevada for his expression of a continuing interest to work together.

THE MILLENNIUM DIGITAL COMMERCE ACT

Mr. ABRAHAM. Mr. President, we originally introduced this legislation, which is entitled ''The Millennium Digital Commerce Act'' on March 25. I introduced it with Senators WYDEN, MCCAIN, and BURNS.

The Senate Commerce Committee held a hearing on the legislation May 27. Subsequently, the legislation passed unanimously by the Senate Commerce Committee on June 23.

President Clinton's administration indicated a statement of support. That was issued on August 4.

I think that sequence of events suggest that there is a strong degree of support for this type of legislation.

The same week the President expressed his support, we attempted to pass the bill in the Senate by unanimous consent. That was just before the August recess.

Concerns were raised by two Members of the Senate about the possible impact of this bill on consumer protection.

Since that time, we have worked to try to incorporate some of the changes and some of those considerations into the legislation to address consumer protection concerns while still providing the tremendous benefit of electronic signatures to the public which was intended by the legislation. I believe the substitute which we would propose to offer does just that.

As was the case with the legislation which passed the Senate Commerce Committee, the substitute will promote electronic commerce by providing a consistent framework for electronic signatures in transactions across all 50 States.

That framework is simply a guarantee of legal standing in each of those States. Such a guarantee will provide the certainty which today is lacking and will encourage the development and the use of electronic signature technology by both businesses and consumers.

The legislation addresses the concerns raised by the use of electronic records and electronic transactions. It will allow people to secure loans on line for the purchase of a car, home repair, or even a new mortgage by giving both companies and consumers the legal certainty they need.

However, the bill now includes safeguards to guarantee that electronic records will be provided in a form that accurately reflects the original transaction and which can be reproduced later. These safeguards are taken directly from the completed version of the Electronic Transactions Act, the ETA.

This legislation also recognizes that there are some areas of State law which should not be preempted. These are specifically spelled out and excluded in this bill. They include but are not limited to wills, codicils, matters of family law, and documents of title.

As almost anyone in this country knows who has paid the slightest degree of attention to developments in the areas of sales, or economy, or the markets, or watches their television and follows the commercials to the slightest degree, we are entering an age in which electronic commerce is rapidly serving as a substitute for traditional means of commercial activity.

Many individuals and companies, as well as others who wish to engage in electronic commerce and other electronic exchanges, are suffering because there is no uniform supporting legal infrastructure in the United States which could provide legal certainty for electronic agreements.

The problem is simple. We have about 42 States that have adopted their own basic version of how to authenticate documents that are entered into through electronic transmission. They are all different. Because of those differences, the potential exists for transactions and contracts entered into online through electronic commerce to be challenged in court because the laws of one State might be different from the laws in another. We wish to end that problem.

The States are moving as fast as they can to address it through a uniform act which has been developed by the States. And slowly but surely we believe that act will be adopted by State legislatures and signed into law by Governors. But until the States get to that point, we need an interim solution so that electronic commerce can continue to expand and people can continue to engage in electronic commercial activity.

The current and prospective patchwork of law and regulation cannot support, and in some cases is incompatible with, the e-commerce market's demanding requirements that are flowing from the interstate and international nature of Internet commerce.

The uncertainty and certainly the existence of all these different State laws provides a lot of uncertainty, and the resulting risks that stem from that harm America's businesses and consumers because it puts a limit on the amount of commercial activity that is capable of being handled in this fashion.

I think it further hinders the broad deployment of many innovative products and services by American companies, and, of course, in turn limits the choices for those who are prospective consumers, whether it is in business-to-business transactions, or business-to-consumer transactions.

The point is this legislation cannot continue to wait. We have tried on several occasions already to bring it to the floor. We tried to pass it through unanimous consent agreements. We have tried to negotiate. So far we have been unsuccessful.

The concepts and the goals behind this move toward electronic commerce and authentication are not a subject of controversy. Obsolete statutes that exist in State law should not be permitted to bar innovation and economic growth.

This is no longer a States rights issue because we are dealing with otherwise enforceable contracts involving interstate commerce. Thus, passing legislation that contains crucial provisions providing interstate commerce certainty for electronic agreements, in my judgment, and I believe in the judgment of a lot of others, should be a top priority for the Congress before leaving this year.

The legislation which we are talking about has been endorsed by numerous organizations and companies who are trying to expand e-commerce in our country.

They are: America Online, American Bankers Association, American Council of Life Insurance, American Electronics Association, American Financial Services Association, American Insurance Association, Business Software Alliance, Charles Schwab, Chase Manhattan Bank, Citicorp, Coalition of Service Industries, Consumer Bankers Association, Consumer Mortgage Coalition, Digital Signature Trust Co., DLJ Direct, Electronic Check Clearing House, Electronic Industries Alliance, Equifax, Fidelity, and Ford Motor.

Also, the Financial Services Roundtable, Gateway2000, General Electric Company, GTE, Hewlett-Packard, IBM, Information Technology Association of America, Information Technology Industry Council, Intel, International Biometric Industry Association, Internet Consumers Organization, Intuit, Investment Company Institute (ICI), Jackson National Life, Keybank, Microsoft, National Association of Manufacturers, National Association of Mutual Insurance Companies, National Retail Federation, NCR Corporation, New York Clearing House Association L.L.C., PenOp Inc., Securities Industry Association, Telecommunications Industry Association, U.S. Bancorp, U.S. Chamber of Commerce, Wachovia Corporation, Zions First National Bank, and Zurich Financial Services Group.

The fact that the legislation passed the Commerce Committee unanimously, the fact the President has endorsed it, should be a signal to everybody that this is legislation that does have the kind of bipartisan backing that should allow it to move fairly quickly through the Senate. Yet it is not. It has been since June that we have tried to do this. We have yet to have a successful completion of our efforts.

There are many issues involved in electronic authentication that can wait for the market to mature for resolution. Contractual certainty cannot. The absence of certainty with respect to electronic authentication contracts creates a huge impediment to the development of e-commerce both here and internationally.

Before I finish on this issue, I am still very much interested in working with people who have objections. I hope we can work something out in the next day or two, but I do think we need action this year. If we can't work something out in the next day or two, it will certainly be my intention to ask the majority leader to see if we can't file a cloture motion on a motion to proceed to this legislation so we can work it out. It seems to me if people have substantive differences we ought to be able to enter into a consent agreement to afford the opportunity for a limited number of amendments on this legislation so those differences can be worked out on the floor. To hold the bill up and prevent proceeding to the bill jeopardizes our ability to get anything done this year. I appeal to those who raised objections to work with Members in the next day or two to find an amicable as well as hopefully a fairly quick process by which we can bring the legislation through the Senate.

Mr. LEAHY. Mr. President, along with many of my colleagues on both sides of the aisle, I have long been an advocate of legislation to enable and encourage the expansion of electronic commerce, and to promote public confidence in its integrity and reliability. In that bipartisan spirit, many of us worked together in the last Congress to pass the Government Paperwork Elimination Act, which established a framework for the federal government's use of electronic forms and signatures. I believe that the same spirit, and the same process of listening to the people involved and the experts on the issue, and of reasoned deliberation, could yield an electronic signatures and electronic contracting bill that would benefit our entire national economy.

Sadly, however, the bill before us today is not the product of such a process, and it is not such a bill. Where the Government Paperwork Elimination Act was an object lesson in bipartisanship, the bill before us today is an object lesson in special interest politics.

This bill has a history. If we listen to that history, we may hear some of the voices that have been silenced in the rush to bring it to the floor. So let me recount it briefly.

On May 27, the Commerce Committee held hearings on Senator ABRAHAM's original S. 761. Remarkably, for a bill that proscribed rules for business-to-consumer transactions as well as business-to-business transactions, neither the Federal Trade Commission, nor state consumer protection authorities, nor any consumer advocates, were invited to testify at those hearings. Sometimes it seems that we forget that the purpose of commerce is to provide goods and services for consumers.

In June, neglecting the concerns of silent consumers, the Commerce Committee reported a bill of quite unprecedentedly sweeping preemptive effect. The Commerce-passed bill would have overridden untold numbers of federal, state and local laws that require contracts, signatures and other documents to be in traditional written form.

I was concerned that the Commerce-passed bill was federal preemption beyond need, to the detriment of American consumers. For example, the bill would have enabled businesses to use their superior bargaining power to compel or confuse consumers into waiving their rights to insist on paper disclosures and communications, even

when they do not have the technological capacity to receive, retain, and print electronic records.

On August 10, I asked the FTC whether S. 761 as reported by the Commerce Committee could undermine consumer protections in state and federal law, and how the bill might be improved. The FTC responded by letter dated September 3 that, while it shared the broad goals of S. 761, the bill's potential application to consumer transactions raised questions that needed to be addressed:

For instance, would the bill preempt numerous state consumer protection laws? Would borrowers be bound by a contract requiring that they receive delinquency or foreclosure notices by electronic mail, even if they did not own a computer? Would consumers who had agreed to receive electronic communications be entitled to revert to paper communications if their computer breaks or becomes obsolete? Would consumers disputing an electronic signature have to hire an encryption expert to rebut a claim that they had 'signed' an agreement when, in fact, they had not? What evidentiary value would an electronic agreement have if it could easily be altered electronically?

The FTC concluded that further clarification was needed to provide protection for consumers while allowing business-to-business commerce to proceed unimpeded.

Consumer and privacy advocates, consumer lawyers and law professors echoed the FTC's views. Among the many national organizations opposed to the bill: Consumer Union, Consumer Action, Consumer Federation of America, National Consumer Law Center, National Association of Consumer Agency Administrators, National Consumers League, National Center on Poverty Law, National Legal Aid and Defenders Association, National Senior Citizens Law Center, Privacy Rights Clearinghouse, United Auto Workers, U.S. Public Interest Research Group, and Utility Consumers Action Network. They wrote to the Senate on September 9, that, while consumers can potentially benefit from receiving information electronically, ''the broad-brush approach of S. 761 . . . would eviscerate important consumer protections in state and federal law, as well as interfere with a state's rights to protect its own consumers without imposing any protections against misuse, mistake, or fraud.''

The Commerce Department also came to oppose S. 761 as reported by the Commerce Committee, because of its spillover effect on existing consumer protection and regulatory standards. In a letter this month to the Chairman of the House Judiciary Committee, the Commerce Department noted its concern that enactment of S. 761 was desired by some precisely because of this spillover effect.

Faced with a bill that proclaimed an objective that I agreed with, but also presented serious dangers for consumers, I committed to working with Senator ABRAHAM and others to rewrite S. 761 in a manner that would benefit businesses and consumers alike. For many weeks, we strove to do the work that the Commerce Committee had failed to do, meeting with business and consumer representatives in order to make sure that we understood and fully addressed their concerns.

I was and still am proud of what this consultative process produced. The Leahy-Abraham compromise bill satisfied the primary and valid goal of the business community, which was to ensure that contracts could not be invalidated solely because they were in electronic form or because they were signed electronically. The bill also promoted competition and innovation by proscribing that regulations would not discriminate between reasonable authentication technologies. At the same time, the bill left in place essential safeguards protecting the nation's consumers.

As of September 28, then, the prospects looked good for a bipartisan compromise that furthered the interests of industry and consumers alike. The prospects looked even better two weeks later, when a bipartisan majority of the House Judiciary Committee adopted the Leahy-Abraham compromise bill as a substitute to the radically preemptive H.R. 1714.

That was the history of S. 761, until today. Senator ABRAHAM is now seeking unanimous consent to pass a totally different bill, a bill that is more preemptive and potentially more harmful to consumers than the bill reported by the Commerce Committee in June. How did this reversal happen? I as one of the architects of the compromise was not consulted. But that is not what troubles me.

What troubles me is that, so far as I know, the FTC was not consulted; the Commerce Department was not consulted, and consumer groups were certainly not consulted. I do not know who was consulted, but I do know that, whatever process created this new bill, it was not a bipartisan process, it was not an open process, and it completely bypassed the Committee system.

What is in this mystery bill, which was unveiled less than 24 hours ago, and which we are now asked to pass by unanimous consent? A very small part of this bill focuses, as did the Leahy-Abraham compromise, on validating electronic contracts. A much larger part of the bill is devoted to electronic records, which is broadly and vaguely defined in such a way as to encompass any text on any computer anywhere.

The bill provides that if any law, federal or state, requires a record to be in writing, an electronic record satisfies the law. I frankly do not know what that means. My fear is it means that if a patient purchases medication from ''drugstore.com,'' the listing of dosage instructions and counter-indications on the ''drugstore.com'' web site could be deemed to satisfy the FDA's safety labeling requirements. To take another example, what happens if the homeowner cannot access an email from the bank threatening foreclosure because her computer is broken?

The bill also sweeps unduly broadly in its provisions on electronic signatures. Under this bill, if any law, federal or state, requires a signature, an electronic signature is deemed to satisfy that law. The term ''electronic signature'' is defined to include any electronic sound, symbol or process used with intent to sign and associated with an electronic record. This captures everything from the most secure, encrypted, state-of-the-art authentication technology to my typing my initials at the end of an email.

This one-size-fits-all legislative approach substitutes for the uniqueness and reliability of a human signature a wide range of unreliable and unauthenticable technologies, without providing any of the protections that, say, credit card owners have. To take an old-fashioned example, where parents used to sign their children's homework, this approach would suggest that the teacher should be satisfied by the sight of the parent's initials attached to an email. The ramifications are much more serious when we consider the prospect of children using insecure technologies to bind their parents to electronic transactions that they cannot afford.

There are other problems with this bill as well. It has a new and complex provision regarding what it calls ''transferable records,'' in effect, electronic negotiable instruments. This provision has never been considered by any Committee of the House or Senate, or to my knowledge by any banking regulators. Maybe the sponsors of the bill are prepared to take us through it in detail on the floor today. If not, we would be derelict in our duty if we brought into force a whole new legal regime that we have neither scrutinized nor understood.

Then there is the issue of preemption. State laws include a large number—usually thousands—of references to signatures and writings. A recent review of the Massachusetts General Laws uncovered over 4,500 sections dealing with or requiring a signature or writing, and I understand that this is typical among the states.

In some cases, it may be appropriate to reform such requirements to allow electronic means rather than paper and pen. In other cases, it may be appropriate to maintain paper requirements or, if the law is to be changed to allow electronic means, to tailor the law to maintain the legislative intent, as for example in the case of consumer protection provisions requiring conspicuous terms. But aside from a handful of specific exclusions, the new S. 761 does not attempt to differentiate among state laws, nor does it concern itself with the reasons why state legislatures required a signature or writing in the first place; rather, S. 761 simply wipes these thousands of state laws off the books.

We have heard a lot of late about the integrity of state law. We have heard that providing federal protections for battered women would unduly intrude on the states' authority. We have heard that allowing federal authorities to prosecute hate crimes would violate state sovereignty. It is interesting to note that the principal sponsor of this bill is also a cosponsor of S. 1214, the Federalism Accountability Act, which aims to protect the reserved powers of the states by imposing accountability for federal preemption of state and local laws.

I myself have always taken a more pragmatic line about the pros and cons of federal versus state law. But it is ironic to hear Members who speak the rhetoric of states' rights on a regular basis to turn around and advocate a bill that would preempt thousands of state laws ranging from the common-law statute of frauds to California's recent enactment of a modified version of the Uniform Electronic Transactions Act.

Finally, one important provision that we included in the Leahy-Abraham compromise is missing from this bill—a provision that asked the FTC to study the effectiveness of federal and state consumer protection laws with respect to electronic transactions involving consumers. That kind of scrutiny would be all the more valuable in the context of this new bill, which would radically change the legal landscape by stripping consumers of a host of current legal protections.

It is a disturbing testament to the power of special interests that the reporting provision at the end of this bill one-sidedly demands a report on what it calls ''barriers to electronic commerce,'' while creating no provision for any investigation of the effects of its new regime on the nation's consumers.

I do not consent to passage of S. 761 in its current form.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Ohio.

Mr. VOINOVICH. Mr. President, I take this opportunity to address in the Senate some matters that I believe are important as we approach the end of the fiscal year 2000 appropriations cycle.

Foremost among my concerns is the increasing role the Federal Government plays in our everyday lives in the area of education, and the budgetary impact on our nation that results from assuming this and other roles more properly and constitutionally the responsibilities of State and local government.

I have witnessed during my first year in the Senate a number of positively amazing and enlightening experiences that have made me feel proud to be able to serve in this body and at this level of government. Yet my pride is increasingly tempered by subjects which have caused me great concern.

You needn't be an experienced member of the Senate, a Governor, or public official to appreciate the dire situation our nation faces with regard to the solvency of Social Security and Medicare. However, as public officials and stewards of our Nation's finances, I believe that we must be all the more vigilant of this reality since every decision we make at this level in some way will impact whether we as a nation will be able to honor the commitments we have made.

I wish to highlight some recent examples as to how we in the Senate have, I believe, erroneously prioritized with respect to our federal responsibilities.

For example: Mr. President without a doubt, improvement in the quality of education is a top concern for parents, teachers, and employers across the country—in fact, improvement in the quality of education ought to be our number one priority as a nation.

As with all issues, when discussing education we must ask two key questions: 1. What level of government is responsible? 2. How are we going to pay for it?

Since the introduction of the Elementary and Secondary Education Act of 1965 by President Johnson, the Federal Government has gradually been increasing it's involvement in education.

Rather than the role of a very junior partner in education reform, the President has offered a number of initiatives throughout his term that would substitute the U.S. Department of Education for most local school boards.

Mr. President, we recently spent hours and hours of debate on the subject of education in the context of the fiscal year 2000 Labor, HHS, and Education Appropriations Bill.

We allocated $2.3 billion more on education in this year's Senate bill compared to fiscal year 99, a more than 6% increase at a time when we have a problem balancing the budget.

Yet, the primary responsibility for our nation's education doesn't and shouldn't reside in Washington.

The text of the Constitution and the Federalist Papers indicate that responsibility for our Nation's education resides with State and local government—not the Federal government.

And indeed, States have upheld their constitutional responsibilities and have responded to our education needs by moving forward with appropriate reforms and spending.

State spending in education has increased dramatically in the past decade.

According to a recent report by the National Governors' Association and the National Association of State Budget Officers entitled The Fiscal Survey of States, elementary and secondary educational now accounts for slightly more than one-third of State general funds spending and about one-quarter of State spending from all funding sources.

The report goes on to say that:

. . . elementary and secondary educational has been the largest state expenditure category, with almost $182 billion in total expenditures in 1998. Its growth has outpaced the growth in total state expenditures, with overall state expenditures increasing by 6 percent between 1997 and 1998 and elementary and secondary education spending increasingly by 7.2 percent.

Governors' recommended budget for fiscal year 2000 include an average proposed increase for elementary and secondary education of 4.8 percent, and an average proposed 4.3 percent increase for post-secondary education.

During my two terms as Governor of Ohio, we increased education spending from our General Revenue Fund by $2 billion, or 50.7 percent. The amount of Basic Aid per pupil rose during my term from $2,636 to $3,851, or 46 percent—and a 56 percent increase in per-pupil expenditures was measured for the poorest one-fourth of Ohio's schools.

In addition, under my administration, State funding support for capital improvements for Ohio's primary and secondary school buildings totaled more than $1.56 billion. We have wired every classroom for voice, video, and data to the tune of $525 million.

We have increased accountability and established higher classroom standards in Ohio and are implementing a more stringent set of academic requirements that students must meet to earn a high school diploma.

In particular, State funding for Ohio's youngest children has grown tremendously. Child care spending alone increased by 681 percent under my administration!

I am especially proud of what we have done in Ohio with the Head Start program. Ohio is now the national leader in State support for Head Start. When I began as Governor, State support for Head Start in fiscal year 1990 was $18.4 million. In fiscal year 1998, State spending for Head Start had increased to $181.3 million, making Ohio the first State in the nation to provide a slot for every eligible 3- or 4-year-old child whose family desires quality early care and education services.

The first question we should ask is: whose responsibility is education—and mostly it is a State and local responsibility. The second question is: how are we going to pay for it?

A few weeks ago I spoke on the Senate floor in response to the President's announcement of a $115 billion surplus in fiscal year 1999, indicating that it would be wonderful if it were only true.

The President, however, neglected to mention during his remarks in the Rose Garden that OMB also projected an on-budget deficit.

The only way the President could claim an on-budget surplus was by using the employee payroll taxes coming into the Social Security trust fund.

During the recent debate over the Labor, HHS, Education appropriations bill, I heard a lot of talk in the Senate with respect to funding for schools, funding for 100,000 new teachers, funding for teacher training.

We spent a great deal of time discussing Federal class size initiatives.

Additional debate on the role of the Federal Government in providing funding for school construction is likely to follow in future debates.

The reality is, however, that many States already have class size initiatives in place—I know of at least 20 States that are doing this now. Additionally, it is also reported that at least 28 States have already proposed major initiatives in the area of school construction in their fiscal year 2000 budgets.

Governors of at least 13 states have already recommended using a portion of their tobacco settlement funds for education. Ohio itself would commit $2.5 billion of their tobacco settlement funds for school facilities under Governor Taft's plan.

You will recall that the States fought hard to keep the President from using any of the tobacco settlement funds recovered from State-initiated lawsuits for his own priorities in his budget.

Instead, many States are exercising responsible leadership by recommending these funds be used to honor a number of key state priorities and commitments such as education.

My point is this: The Federal Government is not the school board of America. The Members of the U.S. Senate are not members of the school board of the United States. The responsibility for education is at the state and local level, where they are in much better financial shape than the Federal Government, as I've illustrated.

We have a staggering $5.6 trillion national debt—a debt that has grown some 1,300 percent in the last 30 years. I remind my colleagues, with each passing day, we are spending $600 million a day just on interest on the national debt—$600 million a day!

Most Americans do not realize that 14 percent of their tax dollar goes to pay off the interest on the debt, 15 percent goes to national defense, 17 percent goes for non-defense discretionary spending, and 54 percent goes for entitlement spending.

We are spending more on interest payments today than we spend on Medicare and Congress needs to spend more money on Medicare as we all know—now!

When my wife and I got married in 1962, interest payments on the dept were at 6 cents on the dollar. If we would have only had to pay 6 cents on the dollar last year, Americans would have saved $131 billion dollars. We would have saved $229 billion if we didn't have to make any interest payments on the debt last year!

Meanwhile, States have been both cutting taxes and running true surpluses—a reality that does not exist here in Washington.

For fiscal year 1999, my last budget as Governor, Ohio had a budget surplus of $976 million, and operates a rainy day fund containing $953 million—up from 14 cents in 1992. And because of good management and a strong economy, we provided an almost 10 percent across-the-board reduction this year for those filing their 1998 returns.

As I said earlier, the States are in a much better position to spend money on education than we are, yet we continue to advocate more Federal spending—more than last year, more than the year before—dipping into our nation's pension fund.

As it is, the Federal Government does have responsibilities to the American people to uphold the promises we have given to them in Medicare, Social Security and national security—promises that we are desperately struggling to maintain.

We need to begin establishing just what our priorities are as a legislative body, and where our responsibility lies.

One instance in the context of the Labor, HHS, Education legislation we just completed where I believe the Federal Government has been particularly irresponsible is in the almost $1 billion decrease in funding for the Social Services Block Grant originally written into the bill.

As you know, States rely on the Social Services Block Grant to provide crucial services to low-income individuals, including children, families, the elderly and the disabled.

However, funding for this block grant has been cut repeatedly the last few years, despite the Federal commitment made in the 1996 welfare reform agreement with the States. Congress and the administration guaranteed that funding would be maintained at $2.38 billion each year from fiscal year 1997—fiscal year 2002.

Instead, funding for the Social Services Block Grant for fiscal year 2000 has only reached the level of $1.05 billion.

Yet, in the appropriations bill we have somehow managed to increase funding in a number of other areas, including a $2 billion increase above the fiscal year 1999 funding level of $15.6 billion for the National Institutes of Health.

In the process of providing for the 13 percent increase in funding for the National Institutes of Health, we have cut the Social Services Block Grant, which provides for the most vulnerable and underserved in our population, by 45 percent. How do we reconcile these kinds of decisions based on our responsibilities here in Washington and with previous commitments to the States?

I should add I believe many of the services provided to young children under the Social Services Block Grant serve as preventive medicine for a number of ailments they may encounter later in life—ailments the Federal Government funds the National Institutes of Health to research.

In other words, if we do not take care of those kids during that prenatal period, they will develop many of the things that the National Institutes of Health are trying to take care of, like high blood pressure and diabetes. Why not take care of it earlier? That does not make sense to me—$2 billion more, and cutting the Social Service Title 20 block grant. It does not make sense.

Before we go off spending more money on new education initiatives, such as 100,000 new teachers and financing for new school construction, we should at the very least make it a top priority to honor the Federal Government's funding commitment to the Individuals with Disabilities Education Act—currently the largest unfunded mandate by the Federal Government on the states. IDEA currently contains a provision authorizing the Federal Government to fund up to 40 percent of the services provided under Part B of the act. Since its enactment, however, the Federal Government has only appropriated funds for 10 percent of these services—only 10 percent.

In the meantime, we must begin taking a serious look at the billions of dollars we spend on education programs to determine whether these programs are effective, and whether the Federal Government should have a role in these programs in the first place.

According to GAO, there are 560 different education programs administered by 31 Federal Government agencies. I have asked GAO to formulate methodology that determines the overall effectiveness of Federal education programs. Currently, there is no methodology to do this.

Wouldn't it be nice to sit down and look at what we are doing as a country in education, identify the programs definitively, look at those that are really making a difference, get rid of those that are not, and put the money in the programs that are successful?

It all gets back to the fact that at each level—Federal, State and local—we all want value, which is getting the best product for the least amount of money, and we all want positive results.

To this end, we must work with State governments as partners to come up with a system where we can maximize our dollars to make a difference in the lives of our children.

Rather than enact more Federal mandates and raid Social Security to increase Federal spending on State and local responsibilities—we should be giving states greater flexibility to innovate and tailor their education programs to the unique needs of their children.

Congress has been talking about drawing a line in the sand, committing not to raid any more from the Social Security trust fund to pay for increased spending for Federal programs. Yet we recently learned from CBO Director Dan Crippen that the FY2000 spending bills that we've been laboring over are already eating up billions of the Social Security surplus—even while our promises to maintain the integrity of the trust fund still hang in the air! I have not forgotten the lockbox I had on my desk, and many other Members of the Senate, putting a firewall between spending and the Social Security trust fund.

When faced with honest choices, the American people will not accept the Federal Government paying for programs that are primarily the responsibility of the States at the expense of sacrificing our commitment to Social Security and Medicare, as well as to numerous other commitments the Federal Government has made under law and under the Constitution of the United States of America. That is absolutely unacceptable, and the American people have a right to be upset. We need to be doing better.

As the appropriations legislation is finalized in negotiations, I hope that we in the Senate can inject some common sense into the dialog, taking into account our priorities as a Federal legislative body, and weighing the extent to which we should or should not maintain our involvement in various programs that are more properly the responsibility of State and local government. Even now, however, I fear we are primarily driven to compete with the President for political oneupsmanship in the area of education which, while ranked first as a national priority according to polling data, is not the primary responsibility of State and local government.

Medicare, Social Security, and national security—these are the primary challenges before us. As fiscal stewards of our Nation's economy, we cannot afford to continue maintaining our involvement in so many other areas, spending at such a pace as we have and it has been enormous. We must define our responsibilities. We must prioritize. We mut exercise fiscal discipline and restraint and insist that we work harder and smarter and do more with less.

The current budgetary path that we are on is both dangerous and irresponsible and downright misleading.

I am sad to say that many of the fiscal year 2000 appropriations bills with which we have invested so much of our time, despite our best intentions, are flawed by the use of budgetary gimmicks that I cannot help but say overshadow the labors of so many of my colleagues who are shouldered with the difficult task of constructing a budget that both meets all of the perceived demands placed on this body and keeps us out of the red. That is why we must prioritize.

In the meantime, I cannot condone the sleight of hand that allows us to postpone making the kind of tough choices that are required to balance our books, and because of that I have voted against a number of these spending bills—bills that, to be sure, would benefit Ohio in a number of ways.

We have committed over $17 billion in emergency spending in these bills, and that does not even count the billions of dollars of other spending that's being hidden. We are plastering—and I mean plastering—this spending over with something called directed scoring. Instead of using CBO numbers—that is, the Congressional Budget Office numbers—we have been selectively using numbers from the Office of Management and Budget, the agency for which the President is responsible, whenever they allow us to spend more.

Incidentally, does anyone remember the last time we did not have an emergency for which we had to account? Let's end the charade and admit we use emergency spending to avoid the balanced budget spending caps and, while we are at it, admit we are spending every dime of the projected on-budget surplus in fiscal year 2000.

When I go back to Ohio, people say to me: What about the tax reduction? You guys are having a tough time just balancing the budget.

I want to say this: If we do not have substantially more revenues in fiscal year 2000 than what is currently projected, CBO will announce in January that we are using Social Security to balance the 2000 budget. We have to pray the dollars come in a lot more, but if the dollars do not come in more, then CBO is going to announce in January this budget uses Social Security.

It is time to bite the bullet and make the hard choices. Nobody else but us can exercise the fiscal responsibility that is needed. If we cannot do it now, with the lowest unemployment we have had and a booming economy, the question I have is, When will we ever be able to do it? If we fail to make the tough choices now, we will soon be facing a train wreck that will make it impossible for us to respond to the needs specifically delegated in the Constitution to the Federal Government and fail to keep the sacred Social Security and Medicare covenant we have with the American people. Let's get back on track so when we return to Washington at the start of the new millennium, which is just around the corner, we can say with confidence we have, indeed, been the stewards of a government the American people deserve.

I yield the floor.

NOTICE OF OBJECTION

Mr. WYDEN. Mr. President, today I have informed the Minority Leader in writing that I will object to any motion to proceed or to seek unanimous consent to take up and pass H.R. 2260, the Pain Relief Promotion Act of 1999, when it is received from the House.

BRING ON THE WRITE STUFF

Mr. BYRD. Mr. President, according to recent results from the 1998 National Assessment of Educational Progress (NAEP), only about a quarter of fourth, eighth, and twelfth graders write well enough to meet the ''proficient'' achievement grading level, and a measly one percent of students attained the ''advanced'' grading level. Approximately six out of ten pupils reached just the ''basic'' level—defined as ''partial mastery'' of writing skills by the National Assessment of Educational Progress exam.

What startling results, Mr. President! How do we expect our nation to forge ahead in a global economy with a ''partial mastery'' of writing skills? From the typical thank-you note to a cover letter for a job opening to a simple exchange with friends over the Internet, writing is a skill essential to everyday existence, no matter what path in life one may choose to pursue. The power of words and the blending of thoughts in a succinct, clear, and grammatically correct manner is often a daunting endeavor, and one that is too easily dismissed with a poor letter grade or a critical evaluation by a mentor or coworker.

The path to becoming a solid writer is a long and arduous road. I continue to improve my writing skills each day through reading and through practice. As the old saying goes, ''practice makes perfect.'' Well, Mr. President, this dictum does not just apply to perfecting your baseball swing or your tennis serve. It is an edict we all ought to follow with a little greater will and fortitude in all of life's quests.

What makes someone a better writer? Lots of things, I say, but perhaps a strong foundation is the most critical, and often the most neglected, step along the way. Today's children are ripe with great ideas and creativity, but without proper instruction and strong reading skills, bright promise fades into fractured thoughts and misspelled words on paper. Based upon the results of the 1998 NAEP test, students who did well tended to be those who planned out their compositions and had teachers who required practice drafts. Moreover, youngsters from homes filled with books, newspapers, magazines, and encyclopedias had higher average scores.

So often, we hear students gripe about burdensome summer reading lists, and even more shockingly, we witness parents encouraging their children to buy the ''Cliff Notes'' of the book to provide them with the basic character and plot summaries while avoiding the hefty task of reading the novel from cover to cover. What nonsense! Perhaps, the greatest benefit of a child's summer agenda is reading. Skimming and reading shortened versions or the so-called ''Cliff Notes'' rob children of wonderful learning experiences.

Reading is an essential ingredient to enhancing one's writing skills. From enjoying the morning newspaper over a cup of coffee to reading an educational magazine or a novel, one can benefit greatly from this endeavor. Given the expansive English vocabulary, there is much to learn from different styles of writing. How often does a person come across an unfamiliar word or phrase in reading? Quite often, I suspect. But how often does the person actually interrupt their reading to consult the dictionary for the word's definition or origin? Not very often, I venture to guess. An appreciation of the soaring majesty of the English language is the